

Senate File 2334 - Introduced

SENATE FILE 2334

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 3015)

(COMPANION TO HF 2408 BY

COMMITTEE ON TRANSPORTATION)

A BILL FOR

1 An Act relating to motor vehicles, including the surrender
2 or transfer of registration plates and cards to a county
3 treasurer, documentary fees charged by motor vehicle
4 dealers, and motor vehicle franchise obligations.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.26, subsection 2, Code 2020, is
2 amended to read as follows:

3 2. The county treasurer may adjust the renewal or
4 expiration date of vehicles registered in the county when
5 deemed necessary to equalize the number of vehicles registered
6 in each twelve-month period or for the administrative
7 efficiency of the county treasurer's office. The adjustment
8 shall be accomplished by delivery of a written notice to the
9 vehicle owner of the adjustment and allowance of a credit
10 for the remaining months of the unused portion of the annual
11 registration fee, rounded to the nearest whole dollar, which
12 amount shall be deducted from the annual registration fee due
13 at the time of registration. Upon receipt of the notification
14 the owner shall, within thirty days, surrender the registration
15 card and registration plates to the a county treasurer of
16 ~~the county where the vehicle is registered~~, except that the
17 registration plates shall not be surrendered if validation
18 stickers or other emblems are used to designate the month and
19 year of expiration of registration. Upon payment of the annual
20 registration fee, less the credit allowed for the remaining
21 months of the unused portion of the annual registration
22 fee, the county treasurer of the county where the vehicle is
23 registered shall issue a new registration card and registration
24 plates, validation stickers, or emblems which indicate the
25 month and year of expiration of registration.

26 Sec. 2. Section 321.34, subsection 1, Code 2020, is amended
27 to read as follows:

28 1. *Plates issued.* The county treasurer upon receiving
29 application, accompanied by proper fee, for registration of a
30 vehicle shall issue to the owner one registration plate for
31 a motorcycle, motorized bicycle, autocycle, truck tractor,
32 trailer, or semitrailer and two registration plates for every
33 other motor vehicle. The registration plates, including
34 special registration plates, shall be assigned to the owner of
35 a vehicle. When the owner of a registered vehicle transfers or

1 assigns ownership of the vehicle to another person, the owner
 2 shall remove the registration plates from the vehicle. The
 3 owner shall forward the plates to ~~the~~ a county treasurer ~~where~~
 4 ~~the vehicle is registered~~ or the owner may have the plates
 5 assigned to another vehicle within thirty days after transfer,
 6 upon payment of the fees required by law. The owner shall
 7 immediately affix registration plates retained by the owner to
 8 another vehicle owned or acquired by the owner, providing the
 9 owner complies with [section 321.46](#). The department shall adopt
 10 rules providing for the assignment of registration plates to
 11 the transferee of a vehicle for which a credit is allowed under
 12 section 321.46, subsection 6.

13 Sec. 3. Section 321.47, subsection 3, Code 2020, is amended
 14 to read as follows:

15 3. Whenever ownership of a vehicle is transferred under the
 16 provisions of [this section](#), the registration plates shall be
 17 removed and forwarded to ~~the~~ a county treasurer, ~~of the county~~
 18 ~~where the vehicle is registered~~ or to the department if the
 19 vehicle is owned by a nonresident. Upon transfer the vehicle
 20 shall not be operated upon the highways of this state until the
 21 person entitled to possession of the vehicle applies for and
 22 obtains registration for the vehicle.

23 Sec. 4. Section 322.19A, subsection 2, Code 2020, is amended
 24 to read as follows:

25 2. A Subject to subsections 3 and 3A, a motor vehicle dealer
 26 may charge a documentary fee not to exceed one hundred eighty
 27 dollars for each motor vehicle sold in a transaction.

28 Sec. 5. Section 322.19A, Code 2020, is amended by adding the
 29 following new subsection:

30 NEW SUBSECTION. 3A. On and after January 1, 2021, the
 31 maximum permitted documentary fee shall be subject to an annual
 32 rate adjustment equal to the most recent percentage change
 33 in the consumer price index for all items, published by the
 34 United States department of labor, bureau of labor statistics,
 35 as of September 1 of the calendar year immediately preceding

1 the calendar year in which the annual rate adjustment is set to
2 take effect, rounded to the nearest whole cent. The department
3 shall calculate and publish on the department's internet site
4 the annual maximum documentary fee for the following calendar
5 year on or before December 15 of each year.

6 Sec. 6. Section 322A.5, subsection 2, Code 2020, is amended
7 by adding the following new paragraph:

8 NEW PARAGRAPH. c. The franchiser shall provide to the
9 franchisee a list of time allowances for the performance of
10 warranty services. Time allowances for the performance of
11 warranty services, including diagnostic services, shall be
12 reasonable and adequate for the services to be performed.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill allows a person who receives a written notice of
17 an adjustment of the renewal or expiration of the person's
18 motor vehicle registration to surrender their registration card
19 and registration plates to a county treasurer of any county
20 in the state rather than the county treasurer of the county
21 where the vehicle is registered. The bill further allows the
22 registration plates of a motor vehicle on which ownership is
23 transferred or assigned to another person pursuant to Code
24 section 321.34(1) or transferred by operation of law pursuant
25 to Code section 321.47(1) to be removed and forwarded to
26 any county treasurer in the state rather than to the county
27 treasurer of the county where the vehicle is registered. The
28 bill does not modify Code section 321.134, which allows an
29 owner of a motor vehicle who surrenders the registration plates
30 of a vehicle prior to the plates becoming delinquent to the
31 county treasurer of the county where the vehicle is registered
32 to register the vehicle any time thereafter without penalty.

33 Under current law, a motor vehicle dealer may charge a
34 documentary fee to a customer for the preparation of documents
35 related to an application for motor vehicle registration and

1 an application for issuance of a certificate of title, and
2 the performance of other related services for the customer,
3 which must not exceed \$180 for each motor vehicle sold in a
4 transaction. The bill provides that on and after January 1,
5 2021, the maximum permitted documentary fee is subject to an
6 annual rate adjustment equal to the most recent percentage
7 change in the consumer price index published by the United
8 States department of labor, bureau of labor statistics, as of
9 September 1 of the calendar year immediately preceding the
10 calendar year in which that annual rate adjustment is set to
11 take effect, rounded to the nearest whole cent. The department
12 must calculate and publish on the department's internet site
13 the annual maximum documentary fee for the following calendar
14 year on or before December 15 of each year.

15 Under the bill, a motor vehicle franchiser must provide a
16 franchisee a list of time allowances for the performance of
17 warranty services, which must be reasonable and adequate for
18 the services to be performed.